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PORTS IN A POLITICAL STORM

The current furor raging over the Bush Administration decision to allow key United States Port facilities to be administered by United Arab Emirates based company, Dubai Ports World (DP World), may best be defined as a storm in a teacup.

This comes as a result of DP World's acquisition of the U.K.-based Peninsular and Oriental Steam Navigation (P&O) last month.

I would like to weigh in on this ongoing debate on whether or not it is appropriate for the US to allow a foreign-owned company (other than British) to manage our key port facilities.

The issue, it seems to me, is more emotional than rational—understandable in view of our present political and military immersion in the middle east.

There's nothing really new about foreign ownership of other countries' shipping assets.

Due to the worldwide nature of the maritime industry, the shipping business went through "globalization" many years ago.

It is not uncommon for a ship to be owned by a Taiwanese Co., registered in Panama, and crewed by PRC sailors.

To people in the maritime services industry, such international co-operatives are neither unusual nor surprising. We have many such examples of maritime companies operated by foreign entities—even here in Hawaii.

Big Five icon Theo H. Davies (THD) is a wholly-owned subsidiary of Jardine Matheson Ltd., in Hong Kong. Jardine purchased THD in 1973, when THD was operating sugar terminals and was the largest shipping agent in the state of Hawaii.

Currently, our home ported NCL ships constitute a US-owned subsidiary of Star Cruises, based in Singapore.

In the unlikely event of a war with these Asian countries, the difficulty of disentangling our local connections with them would be daunting. And we wouldn't want to.

The move by DPW to agree to a further in-depth inquiry into their purchase of the ports management business is a positive move.

A thorough inquiry will be conducted to reassure the public that this transition poses no security risk for the public.

As reported by the Monday 27th edition of the Washington Post, management of the North American ports operations would be left in the hands of P&O's Chief Executive in London, who is British.

The chief security officer of the North American unit will be a U.S. citizen—subject to Coast Guard approval. ~ Anne V. Stevens